

STATE RISK MANAGEMENT WORKERS COMPENSATION FUND
INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 28, 2007

	February-07				January-07				December-06				September-06				Current	Prior Year	3 Years	5 Years
	<u>Allocation</u>		<u>Month</u>		<u>Allocation</u>		<u>Month</u>		<u>Allocation</u>		<u>Quarter</u>		<u>Allocation</u>		<u>Quarter</u>		FYTD	FY06	Ended 6/30/2006	Ended 6/30/2006
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																				
<i>Structured Growth</i>																				
Los Angeles Capital	168,468	4.1%	4.2%	-0.52%	172,312	4.2%	4.2%	3.46%	165,348	4.1%	4.2%	7.40%	157,718	4.0%	4.2%	1.60%	12.31%	11.12%	N/A	N/A
Total Structured Growth	168,468	4.1%	4.2%	-0.52%	172,312	4.2%	4.2%	3.46%	165,348	4.1%	4.2%	7.40%	157,718	4.0%	4.2%	1.60%	12.31%	11.12%	N/A	N/A
Russell 1000 Growth				-1.88%				2.57%				5.93%				3.94%	10.80%	6.12%	N/A	N/A
<i>Structured Value</i>																				
LSV	165,505	4.0%	4.2%	-1.88%	171,931	4.2%	4.2%	2.07%	183,021	4.5%	4.2%	8.09%	173,783	4.4%	4.2%	4.90%	13.56%	15.05%	N/A	N/A
Russell 1000 Value				-1.56%				1.28%				8.00%				6.22%	14.38%	12.10%	N/A	N/A
<i>Russell 1000 Enhanced Index</i>																				
LA Capital	338,242	8.2%	8.3%	-0.77%	339,025	8.3%	8.3%	1.68%	346,808	8.5%	8.3%	7.67%	314,595	8.0%	8.3%	3.71%	12.67%	11.58%	N/A	N/A
Russell 1000				-1.72%				1.93%				6.95%				5.06%	12.56%	9.08%	N/A	N/A
<i>S&P 500 Enhanced Index</i>																				
Westridge	360,455	8.7%	8.3%	-1.91%	357,401	8.7%	8.3%	1.55%	349,431	8.6%	8.3%	6.86%	335,928	8.6%	8.3%	5.75%	12.55%	8.77%	N/A	N/A
S&P 500				-1.96%				1.51%				6.70%				5.67%	12.21%	8.63%	N/A	N/A
<i>Index</i>																				
State Street	104,626			-1.86%	111,491			1.97%	122,815			8.03%	116,697			5.78%	14.37%	9.51%	N/A	N/A
Total 130/30	104,626	2.5%	2.8%	-1.86%	111,491	2.7%	2.8%	1.97%	122,815	3.0%	2.8%	8.03%	116,697	3.0%	2.8%	5.78%	14.37%	9.51%	N/A	N/A
S&P 500				-1.96%				1.51%				6.70%				5.67%	12.21%	8.63%	N/A	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	1,137,295	27.6%	27.8%	-1.36%	1,152,159	28.1%	27.8%	1.98%	1,167,422	28.7%	27.8%	7.50%	1,098,721	28.1%	27.8%	4.49%	13.00%	10.95%	N/A	N/A
S&P 500				-1.96%				1.51%				6.70%				5.67%	12.21%	8.63%	N/A	N/A
SMALL CAP DOMESTIC EQUITY																				
<i>Manager-of-Managers</i>																				
SEI	382,068	9.3%	9.3%	-0.28%	383,357	9.4%	9.3%	1.65%	394,040	9.7%	9.3%	8.82%	361,694	9.2%	9.3%	-0.01%	10.30%	13.58%	N/A	N/A
Russell 2000 + 200bp				-0.63%				1.84%				9.43%				0.94%	11.79%	16.86%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	382,068	9.3%	9.3%	-0.28%	383,357	9.4%	9.3%	1.65%	394,040	9.7%	9.3%	8.82%	361,694	9.2%	9.3%	-0.01%	10.30%	13.58%	N/A	N/A
Russell 2000				-0.79%				1.67%				8.90%				0.44%	10.33%	14.58%	N/A	N/A
DOMESTIC FIXED INCOME																				
<i>Core Bond</i>																				
Western Asset	760,397	18.4%	18.3%	1.66%	750,466	18.3%	18.3%	-0.10%	827,837	20.4%	20.7%	2.01%	806,190	20.6%	20.7%	4.45%	8.22%	-0.90%	N/A	N/A
Lehman Aggregate				1.54%				-0.04%				1.24%				3.81%	6.67%	-0.81%	N/A	N/A
<i>Mortgage Backed</i>																				
Hyperion	197,167	4.8%	4.8%	1.21%	196,926	4.8%	4.8%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)																				
<i>Core Plus/Enhanced</i>																				
Clifton Group	197,436	4.8%	4.8%	1.89%	193,447	4.7%	4.8%	-0.16%	188,401	4.6%	4.8%	0.66%	185,957	4.8%	4.8%	N/A	N/A	N/A	N/A	N/A
Prudential	197,275	4.8%	4.8%	1.49%	194,189	4.7%	4.8%	0.05%	188,662	4.6%	4.8%	1.88%	183,881	4.7%	4.8%	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	394,712	9.6%	9.6%	1.69%	387,636	9.5%	9.6%	-0.06%	377,063	9.3%	9.6%	1.27%	369,837	9.5%	9.6%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				1.54%				-0.04%				1.24%				3.81%				
<i>Index</i>																				
Bank of ND	364,363	8.8%	9.0%	1.74%	357,596	8.7%	9.0%	-0.12%	348,252	8.6%	9.0%	1.31%	354,587	9.1%	9.0%	3.10%	6.16%	-1.14%	N/A	N/A
Lehman Govt/Credit (1)				1.73%				-0.08%				1.04%				3.91%	6.71%	-1.52%	1.04%	4.78%
<i>BBB Average Quality</i>																				
Wells Capital (formerly Strong)	767,562	18.6%	18.3%	2.24%	749,925	18.3%	18.3%	0.13%	825,474	20.3%	20.7%	1.75%	805,972	20.6%	20.7%	4.60%	8.95%	-2.11%	N/A	N/A
Lehman US Credit BAA				2.30%				0.12%				1.49%				4.80%	8.93%	-2.37%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	2,484,200	60.2%	60.0%	1.72%	2,442,549	59.6%	60.0%	-0.01%	2,378,625	58.5%	60.0%	1.70%	2,336,586	59.7%	60.0%	4.28%	7.87%	-1.39%	N/A	N/A
Lehman Aggregate (2)				1.54%				-0.04%				1.24%				3.81%	6.67%	-0.81%	N/A	N/A
CASH EQUIVALENTS																				
Bank of ND	120,106	2.9%	3.0%	0.45%	119,596	2.9%	3.0%	0.45%	127,751	3.1%	3.0%	1.32%	115,196	2.9%	3.0%	1.35%	3.61%	4.50%	N/A	N/A
90 Day T-Bill				0.38%				0.41%				1.26%				1.33%	3.41%	4.00%	N/A	N/A
TOTAL RISK MANAGEMENT FUND	4,123,669	100.0%	100.0%	0.63%	4,097,661	100.0%	100.0%	0.74%	4,067,838	100.0%	100.0%	3.98%	3,912,197	100.0%	100.0%	3.87%	9.48%	3.25%	N/A	N/A
POLICY TARGET BENCHMARK				0.32%				0.56%				3.44%				3.94%	8.47%	3.37%	N/A	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.